SECTION 3. AND BE IT FURTHER ENACTED, That on the effective date of this Act, all the functions, powers, duties, equipment, assets, liabilities, and all the certificated and noncertificated employees of the Baltimore City Public School System shall be transferred to the New Baltimore City Board of School Commissioners and to the Chief Executive Officer of the Board. If assets are not sufficient to fund liabilities transferred, the liabilities shall be retained by the Mayor and City Council. Additionally, during any fiscal year after Fiscal Year 1997, liability for payments at separation or retirement of employees from the Board for leave accumulated and unused prior to June 30, 1997, on terms applicable as of that date, shall be shared as follows: (1) liability up to \$3,500,000 shall be borne by the New Baltimore City Board of School Commissioners provided that such amount is transferred annually to the Board as part of the Education Budget; (2) liability exceeding \$3,500,000 shall be shared equally by the New Baltimore City Board of School Commissioners and the Mayor and City Council, provided that the total aggregate liability of the Board under this subsection (2) for all fiscal years combined may not exceed \$10,500,000; and (3) liability in excess of \$10,500,000 shall be borne by the Mayor and City Council.

SECTION 4. AND BE IT FURTHER ENACTED, That all services provided to the Baltimore City Public School System by other units of the Baltimore City Government as of the effective date of this Act that are not otherwise specifically altered by this Act, including but not limited to public works and transportation services, shall continue to be provided to the New Baltimore City Board of School Commissioners without diminution on the same basis and without an increase in any rate of compensation, unless and until otherwise provided by agreement between the Mayor and City Council and the New Baltimore City Board of School Commissioners; however, any agreement shall be submitted for review and comment to the House Appropriations and Ways and Means Committees and the Senate Budget and Taxation and Economic and Environmental Affairs Committees of the General Assembly on or before March 1 of the calendar year in which the agreement would take effect.

SECTION 4. 5. AND BE IT FURTHER ENACTED, That, as of the effective date of this Act, each certificated and noncertificated employee of the Baltimore City Public School System shall become a member of the personnel system established by the New Baltimore City Board of School Commissioners in accordance with § 4-313 § 4-311 of the Education Article, as enacted by this Act, except that noninstructional senior level staff-of the central administration shall reapply to the Board for continued employment upon the reorganization. Upon the reorganization, noninstructional supervisory personnel of the central administration, shall reapply to the Board for continued employment in positions in central administration. Such personnel include: Directors I, II, and III, Assistant Superintendents, Area Assistant Superintendents, Deputy Superintendents, and Chief Aides to the Superintendent, but exclude principals and school-based staff. All certificated employees who held tenure under §§ 6-201(f) and 6-202(b) of the Education Article before the effective date of this Act shall continue to hold tenure in the Baltimore City Public School System subject to removal as provided in § 6-202 of the Education Article. For the purposes of this section, the fifteen all nonprobationary noninstructional supervisory noncertificated employees shall remain employed by the Board subject to removal for cause in accordance with the provisions of § 4-205(c) of the Education Article.